Paragraph 'A'

Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of Individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act not being a case to which sub-paragraph II of this paragraph or any other paragraph of this part applies:—

	Rates of income-tax
(1) where the total income does not exceed Rs. 6,000	Nil
(2) where the total income exceeds Rs. 6,000 but does not exceed Rs. 10,000	12 per cent, of the amount by which the total income exceeds Rs. 6,000
(3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000	Rs, 480 plus 15 per cent of the amount by which the total income exceeds Rs. 10,000;
(4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	Rs, 1,230 plus 20 per cent of the amount by which the total income exceeds Rs. 15,000;
(5) where the total income exceeds Rs. 20,000 but does not exceed Rs, 25,000	Rs, 2,230 plus 30 per cent of the amount by which the total income exceeds Rs, 20,000;
(6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs, 3,730 plus 40 per cent of the amount by which the total income exceeds Rs. 25,000
(7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000	Rs. 5,730 plus 50 per cent of the amount by which the total income exceeds Rs. 30,000;
(8) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000	Rs. 15,730 plus 60 per cent of the amount by which the total income exceeds Rs. 50,000;
(9) where the total income exceeds Rs. 70,000	Rs, 27,730 plus 70 per cent, of the amount by which the total income exceeds Rs, 70,000

'Copy'

M. N. SUBRAMANYAN,
Section Officer,
F. D. (Resources).

Annual Administration Report of the working of the State Accounts Department for the year 1971-72.

REFERENCE :—

Letter No. CSA 7/Misc/AAR/AII/73-74 dated 6th February 1974 from the Controller, State Accounts Department.

ORDER No. FD 86 PSA 74, BANGALORE, DATED 10TH MAY 1974.

The Administration Report of the Karnataka State Accounts Department for the year 1971-72 is hereby recorded.

Shri R. V. Subramanyam, B.A., continued to be the Head of the Department during the year under review.

2. *Staff* :—

Sl. No.	Designation	Deptl. proper.	P.W.D. Unit	Other Deptts.	Industrial concern	Local bodies and Corporation	Universities and Societies	Total
1	Controller	1	..	...	...	..	..	1
2	Deputy Controller	1	2	9	3	5	6	26
3	Assistant Controller	16	2	40	5	16	..	79
4	Superintendents (including probationers)	73	..	130	18	32	21	274
5	I Division Clerks	33	...	235	7	52	2	634
6	II Division Clerks	25	...	30	...	8	...	63
7	Selection Grade Stenographer		...	1	...	...	...	1
8	Senior Stenographer	1	...	2	...	...	...	3
9	Junior Stenographer	2	...	1	...	...	...	3
10	Typists	34	...	16	...	...	...	50
11	Class IV (including Daffedars, Jamedars, Attenders and Mutchies)	56	...	14	...	...	...	70

3 *Cost of Administration and revenue from Audit Charges* :—The cost of Administration of Department rose from Rs. 23.32 lakhs in 70–71 to Rs. 23.45 akhs in 1971–72. A demand of Rs. 12.46 lakhs towards audit charges was raised luring 1971–72. The arrears (including the arrears of previous year) amounted o Rs. 8.90 lakhs on 31st March 1972. The Controller, State Accounts Depart-nent should pursue the question of recovery of the arrears of audit charges of the Hindu Religious and Charitable Endowments Institution with the Commissioner or Charitable Endowments and of the adjustment of arrears from Municipal unds under the provision of the Karnataka Municipalities Act 1964, by the Treasury Officers with the Divisional Commissioners.

4. *Work turned out by the Department* :—The number of institutions which had to be audited during the year and the number which were actually audited n respect of certain categories of institutions during 1971–72 are given below :—

	No. of Institution in the State	No. programmed for the year	Number audited during the year
Taluk Development Boards.	175	164	136
Taluk Development High Schools	305	305	227
Health Unit Type and other Dispensaries	137	119	137
Town Panchayats	141	106	90
Village Panchayats	8174	5055	3611
Panchayat High Schools and Other Institutions	5	4	3
	8937	5753	4204

The audit done during the year amounted to 73 per cent of the audit programmed for the year and covered only 46 per cent of the number of institu-ions subject to audit by the Department.

The Controller shall ensure that the audit programme is adhered to by the Local Audit Circles by a periodical review of their performance and that a larger number of institutions are included in the audit programme so that arrears of audit is reduced considerably.

5. *Surcharge.*—During the year 1971-72 only 2 cases involving Rs. 1,75,428.89 were recommended for institution of surcharge proceedings. But a sum of Rs. 6354.34 only was recovered and credited to the funds of concerned Municipalities. Inspite of Government instructions to the Divisional Commissioners in letter No. HMA 14 TAO 71, dated 21st May 1971 to take immediate action in respect of all outstanding cases under Section 296 of the Karnataka Municipalities Act 1964 (as empowered in Notification No. PLM 28 MCB (2) 65 dated 16th March 1966), the position has not improved. Unless, the matter is vigorously pursued by the Deputy Commissioners, the prospect of making much headway in recovering these amounts is rather remote. The Deputy Commissioners are therefore requested to make special efforts in this behalf.

6 *General.*—(1) During the year, the Department prepared the draft of the Karnataka Municipalities (Conditions of service of officers and servants) Rules 1972 and submitted to Government.

(2) In the course of audit of accounts of the institutions, several lapses, irregularities have been noticed. Unless effective follow up action is taken in with reference to the audit reports, the purpose of audit will not be served. The follow up action does not rest with the State Accounts Department but with the local bodies and the Muzarai Institutions whose accounts are audited. The response from these bodies however, continues to be luke warm. The Divisional and Deputy Commissioners are therefore requested to ensure that the observations in the audit reports are taken note of and necessary action is taken in the interest of proper financial management of the institutions.

(7) The working of the Department during the year was on the whole satisfactory.

B. N. VENKAT RAO,
Under Secretary to Government, I/c.
48 *Finance Department.*

PLANNING SECRETARIAT

Strengthening of the Planning Machinery in the State Futher continuance of several Divisions, Units and Posts from 1st August 1974 till the end of 31st March 1975.

READ:—

1. Government Order No. PD 38 PAD 72, dated 7th October 1972.
2. Government Order No. PD 38 PAD 72, dated 26th March 1973.
3. Government Order No. PD 15 PAD 74 dated 25th January 1974.
4. Government Order No. PD 1 PAD 74, dated 26th April 1974.
5. Government Order No. PD 1 PAD 74, (I) dated 13th May 1974.
6. U. O. Note No. GAD 1 IWS 74, dated 29th June 1974. from the Deputy Secretary, G.A.D. (ER)

PREAMBLE :—

In theGovernment Order dated 26th April 1974, read at Sl. No. 4 above, sanction was accorded for the further continuance of the several Units/Divisions and Posts sanctioned in the Government Orders read at Sl. Nos. 1 and 2 for a period of 4 months from 1st April 1974 to 31st July 1974, in the first instance.

The G.A.D. (ERB) was requested to examine in detail all the issues involved regarding the several Units and Divisions in the direction of the Strengthening of the Planning Machinery in the State and to send their report. Accordingly, G.A.D (ERB) after due examination, have forwarded a detailed Note along with their U.O. Note referred to in Sl. No. 6. The G.A.D. (ERB) have stated that the functions which are proposed to be assigned in the new set up are discharged by the existing Units though not in a detailed manner with the required emphasis as contemplated by the Government of India. Consequently, the Planning Department has not been able to do justice to the various plan functions. From this angle, the E.R.B. welcome the proposed